MBTA COMMUTER RAIL PROCUREMENT
INFORMATIONAL MEETING

DIVERSITY OUTREACH EVENT

On September 13, 2012 the MBTA sponsored a Diversity Outreach Event relative to its procurement of commuter rail services. The objectives of the business forum were as follows:

1. To ensure that the minority business community, women-owned businesses and other disadvantaged business enterprises were apprised of all the relevant information pertinent to the commuter rail procurement;
2. To provide an opportunity for minority, women-owned and other small businesses to obtain a comprehensive understanding of the possible business opportunities that might arise; and
3. To introduce the two bidders to the small business community and to allow minority, women and other disadvantaged businesses to meet and greet the bidders.

Due largely to a robust outreach program, which included direct e-mail notifications and newspaper ads, there were approximately 260 business participants at the event, as well as an additional 20-30 who participated through WebEx. Representatives from both bidders, Keolis and MBCR, were also in attendance in order to meet the participants and exchange information and business cards.

Attached is an agenda for the Outreach Event, including the speakers and discussion topics. A brief overview of each one follows:

Opening – Kenrick W. Clifton, MBTA Office of Diversity and Civil Rights (ODCR)

Mr. Clifton reviewed his department's objectives in terms of the commuter rail procurement, including: (1) to ensure that Diversity plays a key role in the procurement process and the selection of an operator, and (2) to ensure that the minority business community and women-owned businesses get the information they need to effectively compete for subcontracts. This Outreach Event is just one step toward that goal.

Welcome Remarks – Eddie J. Jenkins, Chief Diversity and Civil Rights Officer

Mr. Jenkins explained that this commuter rail procurement is one of the largest in Massachusetts history, and summarized what the MBTA is doing in order to ensure that Diversity is a key factor in the procurement process, including this contract. For example, a prime contractor's record of employing minorities and women, as well as the role diversity plays in their business plan, can make the difference in whether one firm is selected over another. He also stated that the MBTA is considering similar outreach events for other large projects in the future, such as the Green Line Extension.

Remarks on Behalf of the MBTA Acting General Manager – Mary Fernandez, Assistant General Manager, Supplier Diversity and Development Office

On behalf of Acting General Manager Jonathan Davis, who was out of the country on business, Ms. Fernandez was asked to reinforce his commitment and dedication to diversity and inclusion – not only in terms of employment but, equally important, also in terms of doing business with the MBTA. He expects MBTA contractors to share the same level of commitment.

Legal Overview – Susan Cobb, MBTA Legal Department

Ms. Cobb explained that the commuter rail procurement is being carried out in conformance with Federal requirements, State law and MBTA policies; and that, because the procurement process is ongoing, the panel may not be able to address all questions at this time. However, any questions that businesses have can be forwarded to the MBTA Legal Department, and they will be addressed to the extent possible.

MBTA Procurement Overview – Claudia Russell, MBTA Chief Procurement Officer

Ms. Russell provided a brief overview of the MBTA procurement process and explained how her department is working closely with ODCR to increase DBE participation on MBTA contracts. She then explained how businesses can use the MBTA website (mbta.com / About the MBTA / Business Center) to review Initiations for Bids and Requests for Proposals, as well as obtain information on DBE programs and certification. Her plan for the future is to develop a system to automatically notify firms of bidding opportunities in their business area.

New Commuter Rail Procurement – Bradley Kesler, Director, MBTA Railroad Operations

Mr. Kesler provided an overview of the services that will be provided under the commuter rail operating agreement, as well as the expected contract duration and procurement timeline. He also provided examples of potential subcontracting opportunities (e.g., uniforms, snow removal, training, consulting, fuel) and the average level of total and DBE spending over the prior three years of the contract. The presentation also included contact information for the two bidding firms. Mr. Kesler's presentation is attached.

DBE Program Overview and Diversity – Gregory Jenifer, President, Armand Resource Group (MBTA Diversity Consultant)

Mr. Jenifer, an expert on diversity compliance, was hired by the MBTA to support the commuter rail procurement. He reiterated the MBTA's goals of diversity, inclusion, transparency and providing opportunity for the DBE business community. Under this multi-year contract, the commuter rail operator will be the primary point of contact for DBE firms and will be required to submit an annual Outreach Plan and Utilization Plan to the MBTA. They contractor will also be required to maintain a 3-year Subcontracting/Procurement Plan, with projected DBE participation over that time frame. Mr. Jenifer's presentation is attached.

Closing - Kenrick W. Clifton, MBTA Office of Diversity and Civil Rights (ODCR)

In closing the presentation portion of the event, Mr. Clifton reminded firms (even WBEs and MBEs) that only firms that have been DBE certified by the Massachusetts Supplier Diversity Office (SDO) in accordance with the 49 CFR Part 26 may be used on MBTA contracts for credit toward the DBE participation goal.

Questions and Answer Period

The following issues were among those addressed during the Question and Answer period of the event:

- Prime contractors are able to review a full list of certified DBEs, which is available on the SDO's website: www.somwba.state.ma.us
- Businesses participating in the session were encouraged to provide business cards to both commuter rail bidders, as well as MBTA procurement staff to facilitate outreach on future procurements.

- Smaller firms were encouraged to reach out to prime contractors or form joint ventures, in order to be competitive for more MBTA work.
- The process for applying for DBE certification in Massachusetts was discussed, including a streamlined "interstate certification" process for firms certified in other states.
- It was discussed that MBTA establishes a contract goal for DBE participation, and prime contractors seek to identify qualified DBE firms to meet contract goals.
- It was emphasized that in order for the prime contractor to receive credit for DBE participation on the Commuter Rail procurement, the proposed DBE must be currently certified as a DBE by the Massachusetts Supplier Diversity Office (SDO) under specific scope(s) of service(s) within the appropriate industry NAICS code(s) inherent to this project.
- Also highlighted was that being a SDO-certified DBE provides firms with opportunities for future growth by making it easier to market services to other MBTA contractors. Another advantage is being included in the SDO Directory of Certified DBE Firms. Many contractors use this directory to identify DBEs for participation in their contracts.
- The potential for future small business set-asides as it relates to MBTA goods and services procurement was discussed, based on evolving federal guidelines.

DBE Certification Information

As emphasized during the Outreach Event, if firms are seeking to perform work on the Commuter Rail contract or any other contract with the MBTA as a DBE, they must first obtain DBE certification through the Massachusetts Supplier Diversity Office (SDO). The first step is to contact the SDO; contact information is provided below:

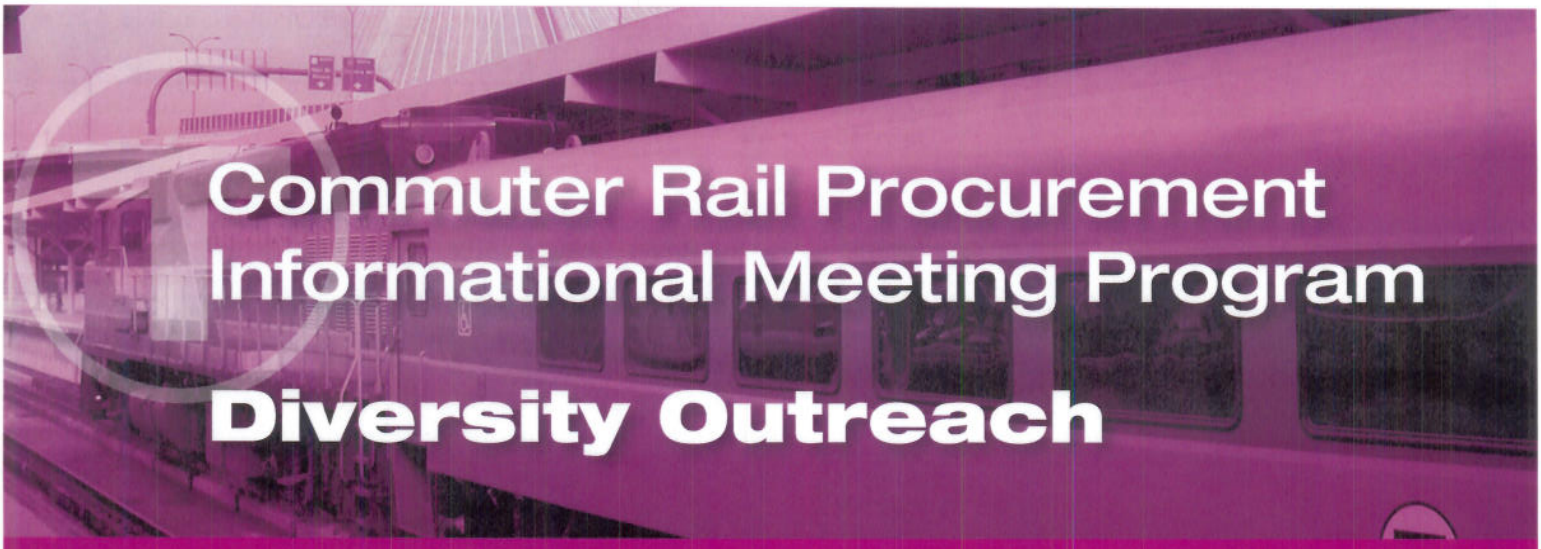
Massachusetts Supplier Diversity Office (SDO)
1 Ashburton Place, Suite 1313
Boston, MA 02108
Website: www.somwba.state.ma.us

Tel: (617) 502-8831
Fax: (617) 502-8841
Contact: wsdo@state.ma.us

Meet and Greet

At the conclusion of the meeting, all business participants were provided an opportunity to meet and greet representatives from both commuter rail bidders. Contact information was also provided for each one:

- MBCR – Joseph Martell, Manager of Material Control and Purchasing (Joseph.Martell@mbcr.net)
- Keolis – Colin Byrne, Financial Manager (cbyrne@keolis.com)



Commuter Rail Procurement Informational Meeting Program

Diversity Outreach

Thursday, September 13, 2012
9:00 A.M. to 12:00 P.M. (EDT)
State Transportation Building, 10 Park Plaza Boston, MA 02116

Facilitator: Kenrick W. Clifton
Office of Diversity and Civil Rights, MBTA

Welcome Remarks	**Eddie J. Jenkins** *Chief Diversity and Civil Rights Officer*
Remarks on behalf of Acting General Manager, MBTA	**Mary Fernandes** *AGM, Supplier Diversity and Development Office*
Legal Overview	**Susan Cobb** *MBTA Legal Department*
MBTA Procurement Overview	**Claudia Russell** *Chief Procurement Officer*
New Commuter Rail Procurement	**Bradley Kesler** *Director, Rail Road Operations, MBTA*
DBE Program Overview and Diversity	**Gregory Jenifer** *President, Armand Resource Group and MBTA Diversity Consultant*
Questions and Answers	
Meet and Greet	

Massachusetts Bay Transportation Authority

massDOT
Massachusetts Department of Transportation

MBTA

New Commuter Rail Procurement Informational Meeting

Diversity Outreach

- Welcome
- Overview of Operating Agreement
- Expected Procurement Timeline
- DBE Opportunity
- Sample Purchase Categories
- Next Steps

Operating Agreement

- Operation and Maintenance of MBTA Commuter Rail System
  - Train operations and dispatch
  - Locomotive and coach maintenance
  - Track and signal maintenance
  - Bridges, buildings stations
  - Support equipment
  - Environmental management
- Likely 7+ year agreement

Expected Procurement Timeline

- RFP Issue: Fall 2012
- Current Agreement Expires: June 2013

Ongoing Competitive Procurement

- Two bidders shortlisted
  - Incumbent: Massachusetts Bay Commuter Railroad
  - Bidder: Keolis America

DBE Opportunity

- Current Operating Agreement
  - Prior 3 years
    - Average of $57m annual spend on Goods and Services
    - Average of $6.2m annual spend through DBE firms
- Future Operating Agreement:
  - DBE goal to be established
  - Full compliance with applicable requirements

Examples of Potential Purchase Categories

- Uniforms
- Lubricants
- Industrial facility supplies and services
- Safety / Security systems and products
- Catering
- Cleaning
- Environmental services (hazardous waste management, inspections, compliance)
- IT purchases and services
- Fuel (for non-revenue vehicles)
- Office supplies
- Building materials
- Vehicle components
- Component rebuilds
- Permitting
- Escalator / Elevator inspection and maintenance
- Right of Way and Signal maintenance
- Landscaping
- Snow removal
- Facility services (management, repairs, installations)
- Training
- Trucking (for materials purchases)
- Printing and graphics
- Pest Control
- Paving
- Miscellaneous Construction
- Consulting
- Temporary personnel
- Policy, procedure and maintenance manuals
- EEO management services
- Drug and alcohol testing
- Medical exams
- Waste management
- Training
- Site preparation
- Legal services
- Accounting

Next Steps

- Massachusetts DBE Certification
  - Must be current for all firms
  - Interstate Certification: Out of state DBE firms must be certified in Massachusetts
  - WBE and MBE firms must also be certified as DBEs
- Certification Contact

  Massachusetts Supplier Diversity Office (SDO)
  1 Ashburton Place, Suite 1313
  Boston, MA 02108

  Tel: (617)502-8831
  Fax: (617)502-8841
  Contact: wsdo@state.ma.us
- Bidding Firms Contacts

MBCR	Keollis
Joseph Martell	Colin Byrne
Manager of Material Control & Purchasing	Financial Manager
Joseph.Martell@mbcr.net	cbyrne@keolis.com

massDOT Massachusetts Department of Transportation Rail & Transit Division

Implementation & Management of the DBE Program For the MBTA Commuter Rail Procurement

Implementation & Management of the DBE Program

- The Federal Regulations will be applicable to this procurement (49 CFR Part 26)
- Specific emphasis will be placed on 49 CFR Part 26.53 – "Multi-Year Projects"
- This will not be your traditional design-bid-build process.

Implementation & Management of the DBE Program

- Commuter Rail Operator and Maintainer (The Contractor) will be your primary point of contact for all procurement opportunities!
- Their procurement process will be required to be transparent and open no different than MBTA!

Implementation & Management of the DBE Program

- The selected Contractor will be required to submit an overall Subcontracting/Purchasing Plan and procedures and a DBE subcontracting/Purchasing and Utilization Plan
- The Contractor will be required to demonstrate and document good faith efforts in all of its procurements – i.e., establish DBE participation goals for specific procurements and document its outreach efforts and communications with DBEs for all procurements as if they are MBTA!

Implementation & Management of the DBE Program

- DBEs will solicit the Contractor for everything no different than you would solicit MBTA for specific opportunities (both solicited and unsolicited) – The Contractor will be required to report to MBTA
- The Contractor will be required to submit an outreach plan, utilization plan and identify all procurement activities. Annually, the Contractor will be required to update its utilization plan and cure/correct any deficiencies no different than MBTA would be accountable to the FTA!

Implementation & Management of the DBE Program

- At all times the Contractor will be required to have a three (3) year Overall Subcontracting/ Procurement Plan and a separate DBE Participation Plan in Place. For Example before the beginning of year two the Contractor will be required to make both spend and DBE participation projections for years two, three and four and before the beginning of year three, the Contractor will be required to make both spend and DBE participation projections for three, four and five.

Implementation & Management of the DBE Program

- MBTA will maintain close oversight to ensure compliance with the DBE Program requirements and that DBE participation consideration was included as an essential part of the Contractor's procurement process.
- MBTA will have oversight compliance monitoring and enforcement authority over the DBE Program requirements – Compliance will be evaluated a monthly basis and progress reporting will be on a monthly basis.

Implementation & Management of the DBE Program

- Compliance with the DBE Program requirements will be given the same level of importance as safety and on-time performance!
- A Project specific DBE Participation Goal will be established for both the O & M phases. This will afford the greatest amount of opportunities for each phase and ensure participation at all phases and contracting tiers.
- Again – each Contractor/Team proposing on this project will be required to conduct and outreach event and informational briefing for the DBE community.